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CPW Report No. 25-A -- COMMUNIST CHINA

(June 9 - 15, 1952)

CLASSIFICATION

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STATINTL

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## 1. (1c) Official Subservience:

Peking reported in numeral code (June 9) that the All-China Federation of Literary and Art Workers honored Stalin Award winners Ting Ling, Chou Li-po, Ho Ching-chi, and Ting I-yung, with Krutikov, Soviet Cultural Attache; Koyevnikov, Soviet delegate to the preparatory meeting for the Asia and Pacific peace conference; and Shakov, Soviet writer, present. Chairman Kuo Mo-jo "expressed elation at the granting of the awards and appreciation for the recognition of Chinese art by the USSR."

Hangchow announced (June 14) that Soviet delegates to the preparatory meeting, D.V. Gulyayev, Vladimir Koyevnikov, and Ivan Glushenko, toured Hangchow, where they "praised China's achievements in national construction." Shanghai stated (June 12) that Ho Chien-hsiu, chief of the labor delegation to Moscow's May Day celebration, arrived at Tsingtao following his return from the USSR. He announced that "he had visited the house where Stalin was born."

## 2. (1c) Imitating the Soviets:

Peking in numeral code (June 11) quoted an NOKA dispatch from Moscow concerning Chinese students at the Stalin Institute of Railway Transport Engineering, where Wang Kuang-hua made some valuable contributions. He and students Ma Hsu-ho and Kao Chia-chu spoke of "the creative spirit in emulating the USSR, which is being nurtured by Sino-Soviet friendship." Wang "credited his achievements to the teachings of his Soviet professors and the assistance given him by his classmates."

Shanghai reported (June 14) that the North Anhwei Labor Union received a letter June 5 from the Moscow trade union, in response to an earlier letter, which promised: "We shall teach our progressive experiences to the Chinese. We wish you new achievements in the struggle for the dictatorship of the proletariat." Wuhsi said (June 15) that the local Youth Corps held a rally for student Wang Chi, who was leaving for summer camp in the USSR, and who promised that he would "learn in the USSR and return to teach what he had learned to the children of China." Shanghai stated (June 10) that workers in the Nanking Telecommunications Wire Factory overfulfilled their May quota by adopting the Soviet Kovalev method.

Mukden complained (June 12) that in spite of the increased production and lower costs resulting from adoption of improved techniques, "many backward workers have refused to accept these innovations," with the result that many cadres had to be employed in State industries "to promote the adoption of innovations among conservative workers." Mukden reported (June 14) that cadres in the Fushun Mining Administration had held a meeting to discuss ways and means to adopt Soviet techniques in coal mining. The TUNG PEE JIN PAO carried comment by Kao Kang regarding workers "who are overly conservative and unwilling to accept new ideas."

Anshan (June 11) quoted Chang I-ming, Anshan Bureau construction chief, as saying Chinese technicians "are not up to standard," and so "must determinedly study and emulate Soviet techniques." Dairen stated (June 12) that workers in the Dairen No. 1 Power Plant had been charged with "adhering to old methods." Workers on the Chinese-Changchun Railway were guilty of "errors in thinking" when they said new freight hauling records were impossible, and learned their errors after indoctrination.

## 3. (2a) War Burdens:

Shanghai reported (June 10) that an East China committee had been organized for rehabilitation of the old revolutionary bases, by seeing that farms of Armymen were cultivated, reducing grain levies, and promoting trade through special relief and loan to dependents of Armymen. Nanchang announced (June 14) that in Changchiatsun, Kiangsi, women organized mutual-aid teams, did only light work at first, and "now are able to do all the farm work." Kunming said (June 13) that "in order to solve the labor shortage," the Ma Yu-lien mutual-aid team of Lungko Hsiang, Fengchiang Hsien, Yunnan, "included women among its members, after protests were overcome."

## 4. (2c) Goods Shortages:

Peking announced in numeral code (June 9) that engineers on the Chingchiang flood control project had made changes in construction plans that saved 800 million yuan worth of steel. This was achieved by using only two rivets instead of four, eliminating cover plates on vertical supports, and using the bars on the base plates every 24 centimeters instead of every 12 centimeters as provided in the blueprints. Chungking reported (June 11) that 1.2 billion yuan had been saved in construction of the Chengtu-Tienshui Railway by rerouting the Chengtu-Teyang section, thus eliminating 31 kilometers.

## 5. (2d) Trade Stagnation:

Nantung announced (June 12) that "in order to promote trade between towns and adjacent areas," Nantung would hold a regional trade conference late in June. Nantung added (June 15) that the Nantung Post Office had inaugurated long-distance telephone service "to promote interregional trade." Chungking reported (June 15) that the Sining, Szechwan, People's Bank had lent 900 million yuan to private merchants and assisted 600 firms, while banks and other Government offices had been lending funds "to restore business, in Nanchung, Sining, Santai, Shaping, and Kuangyuan Hsien.

Chungking stated (June 15) that the Kweichow Federation of Cooperatives decided to develop trade by making loans to peasants, as the cooperatives had "not been workable because of poor business methods and inability of the peasants to make purchases." In western Szechwan a meeting was called June 2 "to find ways of selling native products." The banks were called upon to lend money, while the China Native Products Co. planned "to train cadres to buy native products."

## 6. (3b) Party Control:

Peking reported in numeral code (June 13) that the East China Party conference heard a report in which Fan Chen-lin asserted that the anticorruption drive had been of great benefit to the Party, revealing the errors of some Party members, improving the political level of most members, and "strengthening the Party's leadership of the Nation." He admitted that in the past the Party had suffered from turmoil and strife within its own ranks, and had "not been able to promote democracy within the ranks of the Party." The conference resolved to step up thought reform among the cadres, emphasizing the demarcation between workers and the bourgeoisie; improve indoctrination of cadres in Marxism-Leninism and the theories of Mao Tse-tung; implement the system of collective leadership; strengthen the leadership of the Youth Corps and workers' unions; and strictly enforce Party discipline.

## 7. (3c) Class Conflicts:

Anshan reported (June 12) that the local Youth Corps initiated 100 new members from among progressive anticorruption drive workers, urging them to "strengthen their struggle for the leadership of the working class." Dairen (June 12) announced the organizing into classes of 12,000 workers from private industry "to increase their class consciousness." Tsinan stated (June 10) that Shantung authorities planned to investigate the Chinling iron mines disaster, which resulted in the death of four workers, because the capitalists "emphasized the profit motive," ignoring workers' reports of danger.

According to Hefei (June 12), the 20,000 persons viewing the Anhwei anticorruption exhibition could "clearly see evidence of capitalist attacks upon the working class." Wuhan stated (June 10) that labor unions in Canton had been reorganized "to demarcate clearly the working class from the capitalists," and to combat any attacks by the capitalists. Sian reported (June 12) that 96 workers of "excellent caliber" from seven local factories had been admitted to the Communist Party, after being trained by the Party and tested by the various movements during the past 3 years.

Yangchow reported (June 13) that local workers' unions had been reorganized, with 63 progressive workers appointed Party propagandists and 93 initiated into the Youth Corps.

8. (3d) End of Anticorruption Drive:

Peking said in numeral code (June 14) that Premier Chou En-lai on June 13 issued a directive for speedy termination of the antiwaste, anticorruption, antibureaucracy drive; severely criticized some phases of the drive; and said authorities "dug too far back into distant violations, computed the amount too high, covered too wide a scope, and failed to employ a unified standard of computation." He declared there was a "misunderstanding of the principles of leniency, so that workers and shop clerks were dissatisfied, and corrupt merchants tempted again to practice the five vices." Chou called for speedy rehabilitation of trade and industry, restitution to those too heavily fined, postponement of payment of fines, and a guarantee that after he had paid his fines a businessman could remain in business.

Peking announced (June 14) that the anticorruption drive had ended in Tientsin, and (June 15) that it had been officially closed in Chungking. Wuhan stated (June 12) that the five-anti's exhibit, visited by 263,000 persons, would be closed June 20. Yangchow declared (June 13) that in Icheng Hsien, Kiangsu, cadres had been charged with a "lack of knowledge of economics and finance" in promoting the anticorruption drive.

9. (3e) Remolding of Agriculture:

Kunming reported (June 13) that the Party Committee in Paoshan Hsien, Yunnan, had organized land reform study classes for its 244 rural cadres, as many held feudalistic thoughts and "feared they would lose their jobs if land reform were completed." They were instructed to study farm life in the USSR, the theory of the socialist State, the "new marriage law aspects of land reform," and to assure the dictatorship of the proletariat.

Peking reported in numeral code (June 13) that 21,000 persons visited the Ministry of Agriculture's experimental farm June 12 to see the bumper wheat crop at the mechanized farm school, attributed to adoption of Soviet techniques of deep plowing and dense planting.